

CITY OF TROY
HOOSICK STREET CORRIDOR STUDY
Market Vision and Branding Strategy

Draft

October 29, 2003

Prepared for:

THE CITY OF TROY

Prepared by:

T H E S A R A T O G A A S S O C I A T E S



LANDSCAPE ARCHITECTS, ARCHITECTS, ENGINEERS, AND PLANNERS, P.C.

SARATOGA SPRINGS

NEW YORK CITY

BOSTON

<i>Executive Summary</i>	3
Hoosick Street Market	3
Regional Competition	3
Access and Environment	4
Retail Demand	4
Housing	5
Hotel/Motel Demand	5
<i>Introduction</i>	6
<i>Positioning Hoosick Street in the Commercial Landscape</i>	6
<i>Developing the Vision</i>	7
<i>The Trade Area: Who Are the Customers?</i>	8
Trade Area Delineation	8
Residential Demographics	9
Other Customer Groups	11
<i>Spending Power Analyses</i>	11
Leakage Analysis	11
Capture Rate Analysis	13
<i>Survey Results</i>	15
Methodology	15
Demographics of Respondents	15
Residents.....	15
Employees	16
Students	17
Visitation and Visibility	17
Retail Demands	20
Environment and Safety	22
Housing	22
Residents.....	22
Workers	24

Students 25

Hotel/Motel Demand..... 26

Implementing the Vision..... 27

Economic Themes 27

Redevelopment Strategy..... 27

Business Recruitment 28

Business Assistance 29

Conclusion..... 30

EXECUTIVE SUMMARY

Hoosick Street is a heavily traveled road surrounded by a large residential, worker, and student population. The corridor is both highly visible and conveniently located, but it has recently suffered from the loss of its retail anchors – the Price Chopper and the Ames at Troy Plaza, and its existing commercial development is overshadowed by vacancies and a substandard physical appearance. Clearly, the built environment needs to be addressed, so the City undertook a physical plan, known as the Hoosick Street Corridor Study, to improve the physical environment for both local users and the passers-by. However, equally important is the “product.” In order to attract users, Hoosick Street must offer the product or products most desired by the various market segments. With the right retail combination in place, along with an attractive environment, Hoosick Street can become not only an attractive thoroughfare and gateway to Troy, but also an economic force, both keeping residential spending in the community and attracting others (including passers-by and workers) to purchase in the City.

This market study characterizes the market potential of the area and defines the following Market Vision for the Hoosick Street Corridor:

The Hoosick Street Corridor should be a gateway to Troy that welcomes visitors and passers-by and a focal point that provides the amenities and services to bring together the residents and employees in neighborhoods to the north and south.

Hoosick Street Market

Residents, students, local employees, and pass-through traffic all use Hoosick Street in one way or another, and all are potential customer groups for businesses in the corridor. The key to the future economic success of Hoosick Street as a commercial corridor lies in encouraging and directing commercial growth in order to cater to the shared demands of the various customer groups.

While Hoosick Street has high visibility, it is not being used to the extent that it could be. For example, less than half of the workers surveyed shop frequently on Hoosick Street and only about half of any of the groups eat out regularly. *Given the high visibility of the street, these numbers could be much higher with a more attractive surrounding and business mix that better responds to the desires of the potential users.*

Regional Competition

Commercial development on Hoosick Street faces formidable competition, which ranges from traditional downtown shopping, to big box retailers and malls throughout the Capital District, including a major shopping district further east on Hoosick Street in the Town of Brunswick.

From the perspective of the regional retail environment, the opportunity for success on Hoosick Street is to leverage its assets, which include high visibility and central location, to attract potential users to spend more time on the street. Future development on Hoosick Street should differentiate it from other nearby commercial districts. In particular, a coordinated, City-wide approach should be taken so that the Hoosick Street corridor complements rather than competes with downtown Troy, as well as any commercial development on Congress Street or elsewhere in the City.

Access and Environment

Pedestrian and bicycle access is important, and amenities for people arriving on foot or bicycle, including sidewalks, benches, and crosswalks, should be integrated into the design for the corridor.

New structures should be designed with the pedestrian in mind. For example, parking should be located behind buildings, driveways should be shared wherever possible, and entrances should face the sidewalk.

Physical improvements should be used to combat the general perception that the corridor is unattractive and unsafe.

Retail Demand

There is significant room for retail development in the Hoosick Street corridor, where existing retail captures less than one third of the available retail dollars of the customer groups.

This is despite the fact that various characteristics of the trade area, including the large population within walking distance of Hoosick Street, the low rate of car ownership, the large senior population, and large number of students, suggest a population that is more reliant than usual on local stores and services.

The low household incomes suggest a limited demand for high-end products, and a need for affordable options in both retail and services.

General principles that should be kept in mind when recruiting businesses for the corridor include:

- The market calls for affordable merchandise and services rather than luxury or high-end items.
- Basic merchandise—everyday needs and convenience items—are in high demand.
- The customer mix indicates a high demand for restaurants and take-out.
- Businesses should accommodate customers who arrive on foot, bicycle, or bus.
- Businesses should keep in mind the predominantly female workforce in the area.

Specific businesses that should be considered include:

- Small specialty food shops, such as a bakery, bagel shop, vegetable market, and the like.
- Stores that meet everyday shopping needs conveniently, such as a dollar store, drug store, convenience store, newsstand, etc.
- Convenient medical and related services.
- A computer and software store, bookstore, and other stores with appeal for the highly educated segment of the population.
- Restaurants and take-outs at various price-points.
- A store or stores offering inexpensive furnishings.

Housing

There is a market for multi-family housing and for townhouses, both of which could be developed on or near the Hoosick Street corridor. However, the success of such housing is predicated on creating a more appealing and attractive physical environment.

Potential buyers or renters include:

- Senior citizens looking for either assisted or independent living, close to amenities.
- Local workers who want to live close to their places of employment; most likely singles, couples without children, or empty nesters.
- People of limited means who want convenient, inexpensive rental units.

Hotel/Motel Demand

There appears to be a demand for additional lodging in the area.

If space could be found for a nicer conference hotel, it could potentially serve both the school and the employer markets as it would allow local businesses and the University to sponsor conferences in a convenient location.

INTRODUCTION

A large residential, worker, and student population surrounds Hoosick Street, a heavily traveled road that carries both local and long-distance traffic. While the Hoosick Street corridor is both highly visible and conveniently located to serve a large and diverse customer base, it has suffered from the loss of the Price Chopper and Ames, and its existing commercial development is overshadowed by vacancies and a substandard physical appearance. Clearly, the built environment needs to be addressed, so the City undertook a physical plan, known as the Hoosick Street Corridor Study, to improve the physical environment for both local users and the passers-by. However, equally important is the “product.” In order to attract users, Hoosick Street must offer the product or products most desired by the various market segments. With the right retail combination in place, along with an attractive environment, Hoosick Street can become not only an attractive thoroughfare and gateway to Troy, but also an economic force, both keeping residential spending in the community and attracting others (including passers-by and workers) to purchase in the City.

This Market Analysis outlines consumer preferences and attitudes in the context of the multi-faceted user population of Hoosick Street in order to identify emerging markets and latent demand and to help shape future infill development.

POSITIONING HOOSICK STREET IN THE COMMERCIAL LANDSCAPE

Where does Hoosick Street fit into the regional retail landscape? The answer to this question will help to position the district to meet the latent demand for retail product and environment. To respond to this question, the following section examines the retail landscape of the region around Hoosick Street.

Retailing in the region is plentiful, and ranges from traditional downtown shopping to big box retailers and malls throughout the Capital District. The closest competitive retail districts include downtown Troy, which offers a variety of retail and dining options in a traditional downtown setting, and, further down Hoosick Street in the Town of Brunswick, the Price Chopper/Wal-Mart Plaza. Unfortunately, the loss of Ames and Price Chopper in the Troy Plaza coincided with the development of the Wal-Mart and Price Chopper further east on Hoosick Street. These competing businesses make redevelopment of the Troy Plaza with similar “big box” retail outlets challenging at best. From the perspective of the regional retail environment, it is clear that a new direction needs to be developed. The opportunity for success on Hoosick Street is to leverage its assets, which include high visibility and central location, to attract potential users to spend more time on the street. Furthermore, development of Hoosick Street should create a welcoming retail environment that complements, rather than duplicates, downtown Troy in environment and retail mix.

DEVELOPING THE VISION

A *market positioning statement*, based on an understanding of the primary markets and trade areas of a retail district, can be an effective tool in commercial district revitalization. Such a statement, which should summarize the desired image of the district and its primary customers, can create a “brand” that informs future development and investment in the district. It can be used to identify realistic opportunities for the district’s business investment, retail and business recruitment, and as a promotional tool for the retail district to assist in establishing a desired business mix that provides a competitive edge in the marketplace.

The first step to developing a market positioning statement for Troy’s Hoosick Street corridor is to examine the opportunities and challenges facing the corridor today. With over 30,000 trips per day, Hoosick Street is the most heavily traveled street in the city. In fact, with traffic counts that approach those of Wolf Road, Hoosick Street has the visibility major retailers look for when searching for new locations. However, the street could be much more than a thoroughfare or a typical highway commercial district. The proximity of several major employers, residential neighborhoods and a major educational institution (Rensselaer Polytechnic Institute), creates a diverse user group for the corridor. This mix of prospective users offers the potential to create a mixed-use focal point for the City that connects the neighborhoods to the north and south, welcomes visitors to the City, and encourages passers-by to stop in Troy, thus enriching the retail economy. The following market vision was developed through analysis of the potential of the corridor in light of the market analysis, community desires as reflected in the survey, and realistic expectations in light of the current retail market.

Hoosick Street Corridor Market Vision:

The Hoosick Street Corridor should be a gateway to Troy that welcomes visitors and passers-by and a focal point that provides the amenities and services to bring together the residents and employees in neighborhoods to the north and south.

STRATEGY 1

To serve the daily needs of the surrounding residents, employees and students for convenient goods, services and dining options.

STRATEGY 2

To serve as a welcoming gateway to the City of Troy, offering amenities, retail and services geared toward the passerby.

THE TRADE AREA: WHO ARE THE CUSTOMERS?

Hoosick Street relies on several market sectors. Residents, students, local employees, and pass-through traffic all use Hoosick Street in some way or another, and all are potential customer groups for businesses in the corridor. The key to the future economic success of Hoosick Street as a commercial corridor lies in encouraging and directing commercial growth in order to cater to the shared demands of the various customer groups.

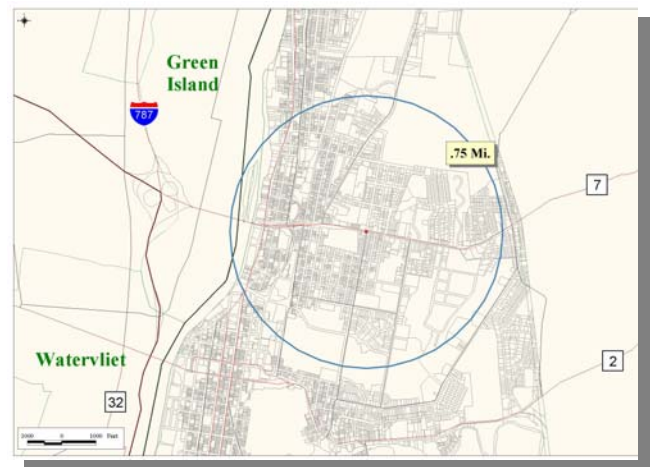
Each market sector brings with it its own set of requirements, preferences, and spending patterns. Each sector also presents Hoosick Street with a challenge to meet its needs, as well as an opportunity to benefit from its spending potential.

This section examines the existing market segments and delves into the implications for potential development on Hoosick Street. This information will help guide efforts to strengthen and stabilize Hoosick Street and secure its position within the fabric of the City and the region.

Trade Area Delineation

In any market analysis, it is important to define the trade area, which is the geographic area from which the majority of retail and service businesses' existing and potential customers come.

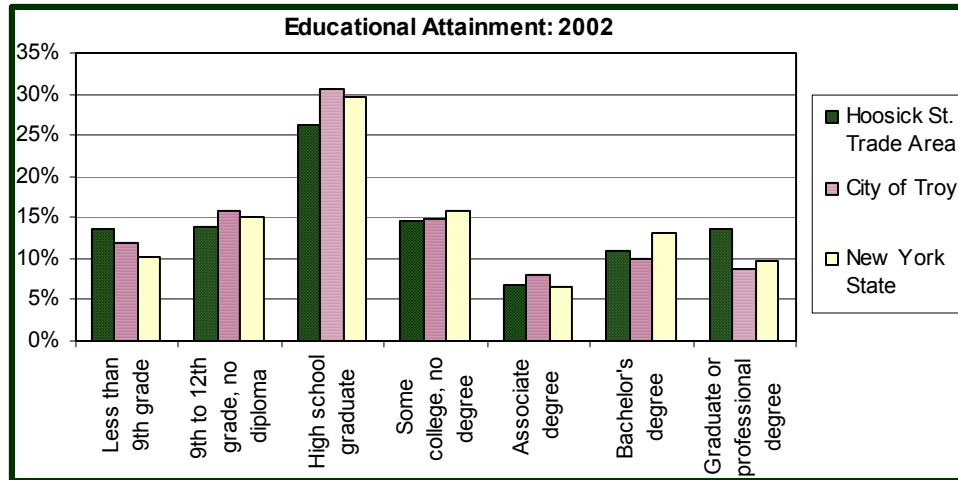
The primary trade area for Hoosick Street was defined as the area within three quarters of a mile of the intersection of Hoosick Street and 15th Street. The trade area is relatively small in size, but the urban density means that the population is sizable. Most people who are likely to spend money on Hoosick Street regularly live, work, or go to school within this area.



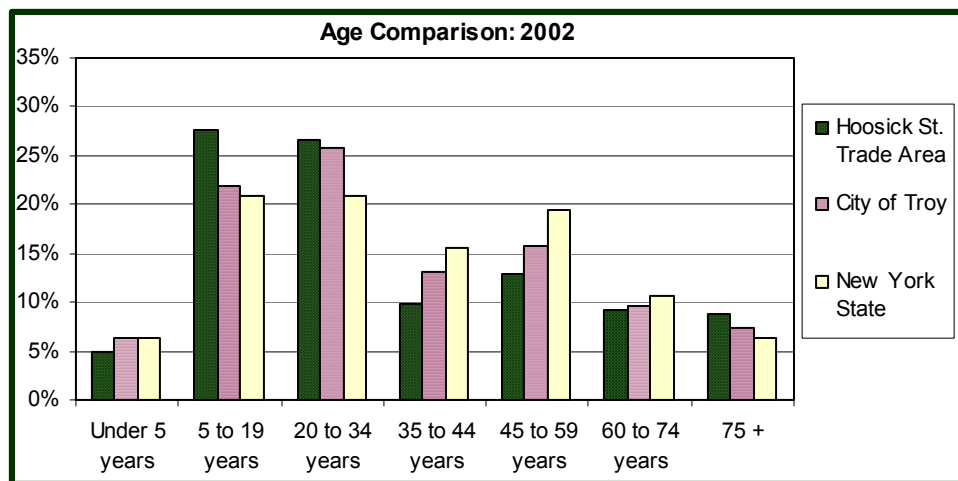
For comparison, the entire City of Troy was selected as a secondary trade area. People who live or work in the secondary trade area are less likely to shop in the trade area regularly, but may visit for special events or specialty shopping.

Residential Demographics

The demographics of the primary trade area suggest a diverse population. The area contains both a higher proportion of people with less than a 9th grade education and people with a graduate degree or

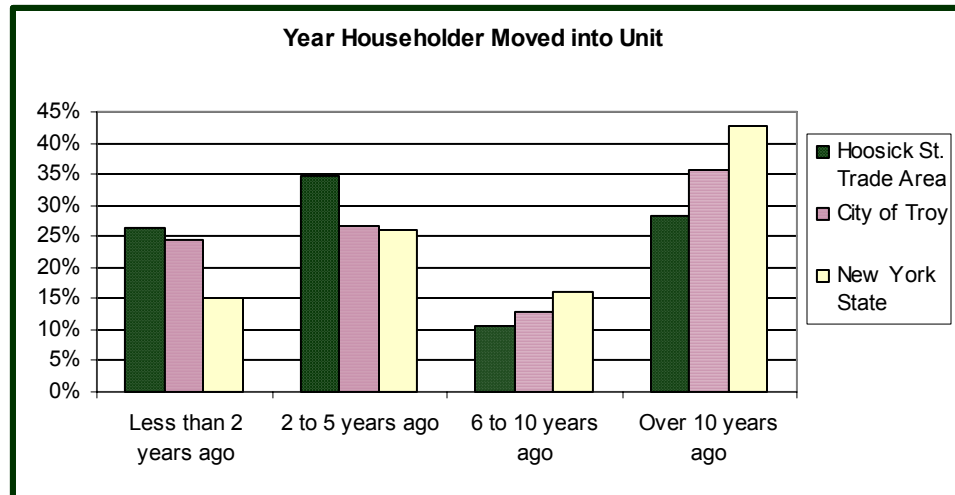


better than New York State as a whole. Age is also somewhat polarized—the trade area and the city as a whole have a larger percentage of young people (under 19) than the state, but also a larger percentage of elderly persons over the age of 75. These variations are indicative of a diverse



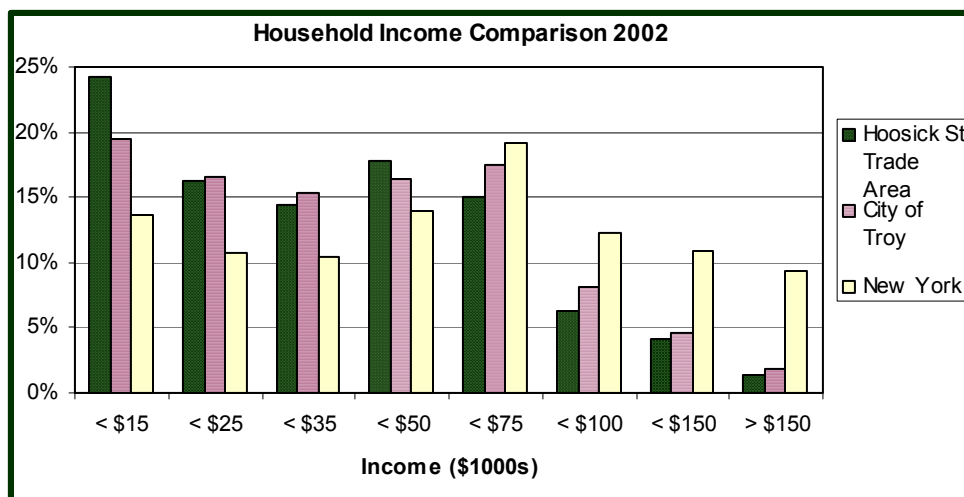
population, and can be explained by the mix of poor residential neighborhoods characterized by both very young families and older residents aging in place, with a large student population. This mixed population **suggests demands for affordable everyday items and services for both the poorer residential population and the students, for inexpensive eateries for students as well as residents, and convenient medical and related services for the elderly population.** Medical services are also appropriate for the corridor because of the proximity to major medical centers. In addition, the unusually high education attainment of a portion of the population suggests **a market for computer and software stores, bookstores, and the like.**

Both the primary trade area and the city share a tendency towards high mobility, as indicated by the large proportion of the populations that have moved within the last five years. This suggests a **lower than usual demand for major household goods, but possibly a higher demand for inexpensive furnishings.**



Another characteristic shared by the two populations is a relatively low access to cars. According to the 2000 US Census, over one quarter of the households in the trade area did not have access to a single car, and less than 40 percent have two or more cars. **This indicates that the populations are more reliant than usual on local stores and services that can be accessed on foot or by public transportation, and emphasizes the demand for everyday goods and services within easy access of neighborhoods.** In addition, the lower car ownership rate indicates a need to balance pedestrian and automobile use of the street.

Income levels, not surprisingly, are low. The income levels in the Hoosick Street trade area are significantly lower than in New York State and somewhat lower than in the City as a whole. In fact,

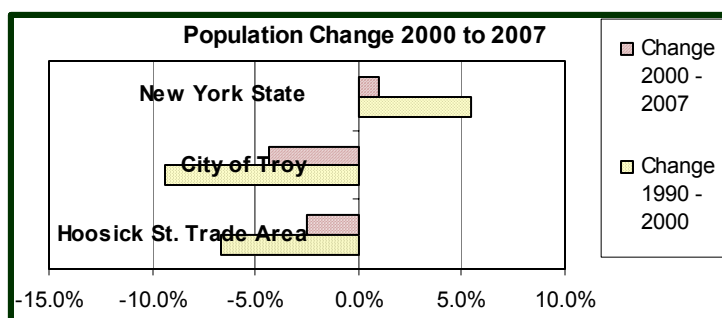


the largest income cohort in the trade area has a household income of under \$15,000 a year. The low household incomes suggest **a limited demand for high-end products, and a need for affordable options in both retail and services.**

Currently, the population is declining, suggesting that there is a real need to address the problems in the area in order to stem this population loss.

Improvements to the area, including new housing options and more inviting commercial districts, could make the difference between a net loss and gain of local population.

Population 1990 to 2007						
Market Area	1990 Population	2000 Population	Change 1990 - 2000	2002 Estimated	2007 Projected	Change 2000 - 2007
Hoosick St. Trade Area	13,302	12,414	-6.7%	12,249	11,943	-2.5%
City of Troy	54,269	49,170	-9.4%	48,218	46,127	-4.3%
New York State	17,990,406	18,976,458	5.5%	19,021,134	19,208,844	1.0%



Other Customer Groups

Hoosick Street does not rely on residents and students alone. There are several major employers, including Seton Health, Northeast Health and RPI, which bring about 5,000 employees to the vicinity—more than one-third the total residential population of the trade area. In addition, there are nearly 30,000 vehicular trips on Hoosick Street a day. **Encouraging these drivers to stop on Hoosick Street for their retail and service needs, including fuel, snacks, meals, newspapers, and the like, could significantly increase the aggregate spending in the corridor.**

SPENDING POWER ANALYSES

Retail demand drives retail success; that is, the number and type of stores a trade area can support are directly related to the level of demand for specific product types in that trade area. This section analyzes the demand for consumer goods by store type in order to determine where there may be significant leakage of retail dollars outside the trade area.

Leakage Analysis

The methodology used in the leakage analysis is as follows:

- Retail sales data for different businesses in the trade area were sourced from Claritas, Inc.
- Actual retail sales per household in different categories were calculated by dividing retail sales by total number of households.

- Typical expenditure per household in the Northeast was sourced from the Consumer Expenditure Survey, Bureau of Labor statistics, and adjusted to reflect the average household income in the trade area.
- Actual sales were compared to expected spending to determine surplus or leakage. A surplus occurs when the actual sales per household exceeds that to be expected from the typical expenditure per household in the Northeast. A leakage occurs when the reverse holds true.
- The figures for surplus and leakage per household were multiplied by the total number of households to obtain total surplus and leakage in the trade area.

It is important to note that the potential expenditure figures take into account *only residential spending* and *only for residents in the described trade area*. Neither employee nor pass-through spending is included in this analysis since there is no reliable information available that would allow us to break down worker or tourism expenditures into specific store types.

Categories that reveal a surplus (i.e., sales exceed typical spending) can be considered destination categories since it is obvious that those businesses are attracting spending from outside the trade area. However, since people rarely spend all their money near their homes, regardless of how appealing the downtown may be, retail categories that function as destinations within the trade area may still show a leakage, albeit smaller than the leakage of another category. Thus, a relatively small leakage rate, especially within the secondary trade area, also suggests that customers other than trade area residents are patronizing that store category.

The leakage analysis for relevant retail categories is presented in the following table. As illustrated in the table, nearly every category shows a leakage of expendable dollars out of the area. This can be attributed to the lack of stores and services along Hoosick Street within the study area. Although grocery stores are an exception, the sales data used for this analysis predates the closing of the Price Chopper at the Troy Plaza. Most of the grocery spending has likely moved to the new Price Chopper further east on Hoosick Street. The leakages across the board suggest that there is a latent demand for a variety of businesses in the Hoosick Street trade area.

The leakage analysis demonstrates much room for growth on the Hoosick Street corridor in a number of categories. Sales in the grocery and other food at home category were reported to be quite high—much higher than can be attributed to residents of the trade area alone. But the sales figures were generated before the closing of the Price Chopper, and would likely be much lower today. Aside from groceries, eating out places is one other category that show a surplus; more money is spent in the trade area in that category than can be attributed to the residents alone. This suggests that Hoosick Street is a destination for food away from home. Since restaurants tend to do well when clustered together, the significant spending on food away from home suggests that **additional restaurants and take-outs may be an appropriate addition to the corridor.**

Potential expenditures in every other category are leaking out of the district (i.e., being spent elsewhere). Although there is good reason for significant leakage in some categories, such as the overwhelming competition from big boxes and malls, the right store mix could bring more retail expenditures to the District in other categories. The components of a desirable store mix for Hoosick Street are identified throughout this analysis, and summarized in the section entitled “Implementing the Vision: Economic Themes.”

Retail Leakage Analysis, Selected Categories Hoosick Street Trade Area				
Business	Sales per Household in Trade Area	Typical expenditure/ Household	Surplus (Leakage)/ Household	Total Surplus (Leakage)
Grocery & other food at home	\$22,434	\$2,573	\$19,861	\$6,026,212
Eating out places	\$3,188	\$1,740	\$1,448	\$6,222,132
Alcoholic beverages	\$233	\$292	(\$59)	(\$255,527)
Clothing and accessories	\$98	\$2,584	(\$2,491)	(\$10,704,585)
Appliances	\$23	\$113	(\$90)	(\$384,647)
Books	\$70	\$128	(\$58)	(\$249,700)
Electronics and music	\$140	\$515	(\$376)	(\$1,615,062)
Drug stores	\$303	\$369	(\$67)	(\$287,299)
Gasoline	\$0	\$822	(\$822)	(\$3,532,390)

Overall Capture Rate Hoosick Street Trade Area	
Spending Power (\$millions)	
Residents*	\$183.5
Workers**	\$12.9
RPI students and faculty***	\$37
Pass-through traffic****	\$93.4
<i>Total</i>	<i>\$326.8</i>
Actual Sales (\$millions)	
<i>Total</i>	<i>\$96.4</i>
Capture Rate	
Actual Sales/Spending Power	29%

* Residential spending power calculated to be 33.5%, of the aggregate income of all residents, based on the most recent Consumer Expenditure Survey.

** Average annual expenditure of \$2720.28 per worker. Source: International Council of Shopping Centers

*** Average annual student and faculty expenditure of \$5,171. Source: Emory University

**** Typical expenditure per car trip \$8.53. Source: University of Wisconsin

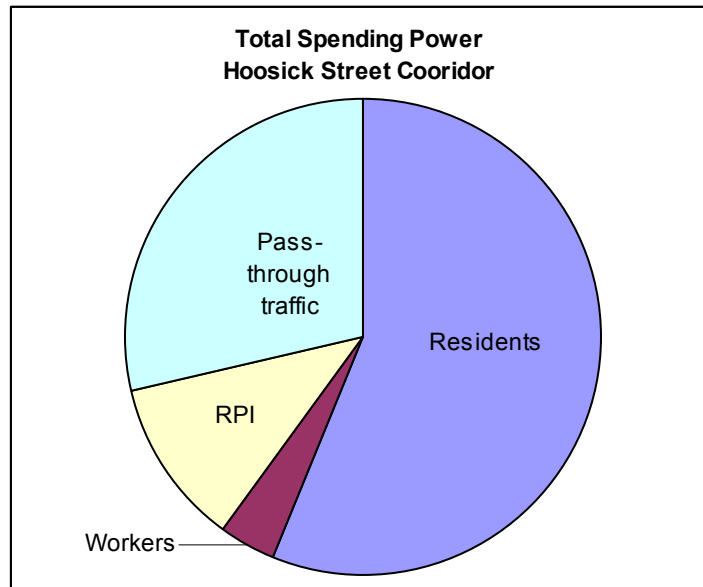
Capture Rate Analysis

While spending for the whole customer base (including residents of trade areas, students, workers, and pass-through traffic) cannot be broken down by specific store category as was done in the leakage analysis above, the overall capture rate of spending power can be estimated using available data.

For this analysis, we estimate the total spending power of each of the four major customer groups and compare the total spending power to the actual retail sales in the trade area to obtain the capture rate. A capture rate of 100 percent is unrealistic, but a healthy commercial district may capture as much as 75 to 80 percent of the spending power in its primary trade area. As is evidenced in the table at right, Hoosick Street

has a capture rate of only 29 percent. **This emphasizes the conclusion that there is room for additional retail development in the Hoosick Street corridor.**

The spending power of the various customer groups also provides an idea of each group's relative impact on the overall spending in the corridor. **Residents make up the largest segment, thus suggesting that the retail and service needs of this group should be the most prominent when developing a retail strategy for the corridor.** The second largest segment is the pass-through traffic. While there is no data as to the exact breakdown of the pass-through traffic, the road is known as the most direct route from points south to skiing destinations in Vermont,



suggesting that the pass-through traffic includes a large number of long-distance travelers from New Jersey and the New York City metropolitan area. These travelers, who are likely to have relatively high incomes, may be three or four hours into their trip by the time they get the Hoosick Street, at which time they will likely be ready to stop for gasoline, restrooms, and a snack. **Thus, this customer group could also factor prominently in planning for retail and service development in the corridor.**

While local workers and RPI students and faculty represent a smaller portion of the spending power than the other groups, their needs and interests should not be dismissed as these groups diversity the customer base and offer an additional source of income for retail and service providers.

SURVEY RESULTS

The analyses above demonstrate what the market *can bear*. In order to develop an idea of what the market *wants* on Hoosick Street, three survey forms were prepared and distributed. One was mailed to a random sample of 1200+ residents selected from registered voters in the voting districts that surround the three streets that are the subject of the survey, one was distributed to students at the Student Center at RPI, and one was distributed to employees of the major employers in the area through their personnel offices. The survey was designed to gain insight into the way that the various market groups are currently using the Hoosick Street corridor, and what type of commercial and residential development might be appropriate.

Methodology

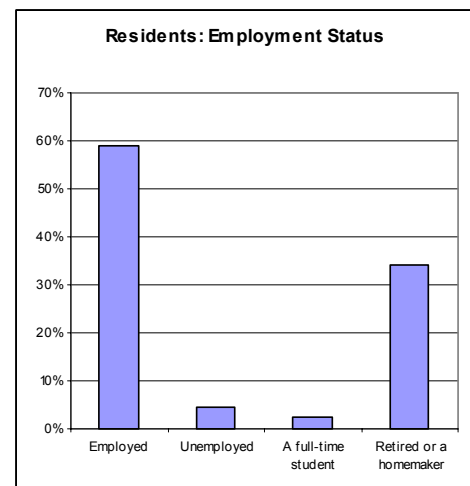
In total, 1,086 surveys were returned, including 347 resident surveys (a return rate of close to 30 percent), 575 worker surveys (a return rate of approximately 35 percent), and 164 RPI student surveys. Overall, the survey can be considered a reliable snapshot of the opinions of members of potential user groups that are the most interested in the future of Hoosick Street and thus are the most likely regular patrons of businesses on Hoosick Street. The distribution methods were as follows:

- **The resident survey** was mailed to a randomly selected list of registered voters from the voting districts nearest the Hoosick Street corridor.
- **The student survey** was distributed in the Student Union building during finals week. This is a popular spot for studying, and therefore a healthy cross-section of students had the opportunity to fill out the survey. While the self-selected group that took and returned the survey cannot be taken as a representative sample of all RPI students, they do represent students who are interested in development on Hoosick Street and possibly are those students most likely to utilize the street and surrounding commercial/residential development.
- **The worker survey** was given to the personnel offices of nine local employers. Each personnel office chose how to distribute the forms to its employees. Most included the surveys with paychecks, but one or two sent the form via email.

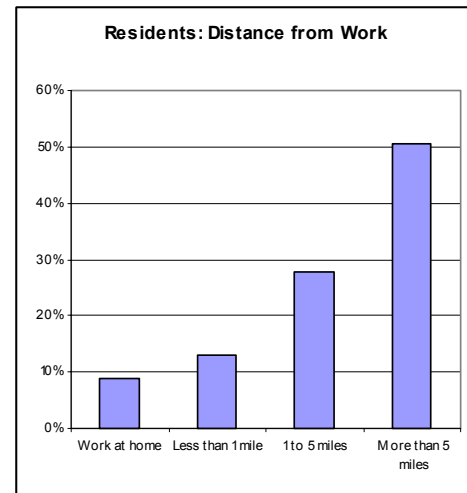
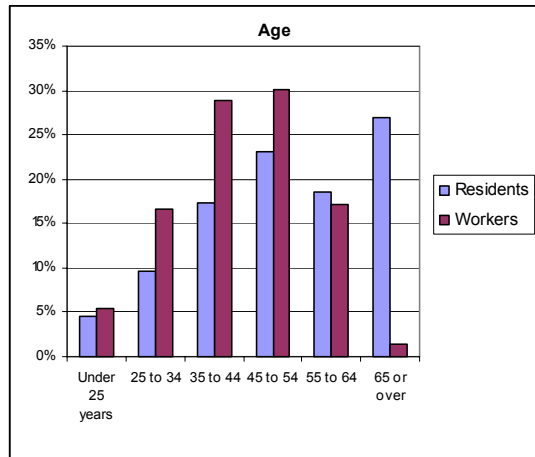
Demographics of Respondents

Residents

There are some inherent biases to any survey, and these should be kept in mind when reviewing the results. As is typical with mail-back surveys, the population that returned this survey was skewed towards the older age cohorts, and was disproportionately female as compared to the overall population. The residents who returned this survey were also wealthier than the population of the trade area, another bias



that is typical of this type of survey. Of the people who responded to the survey, nearly 60 percent are employed, and a third are either retired or are homemakers. Only three percent are full-time students.

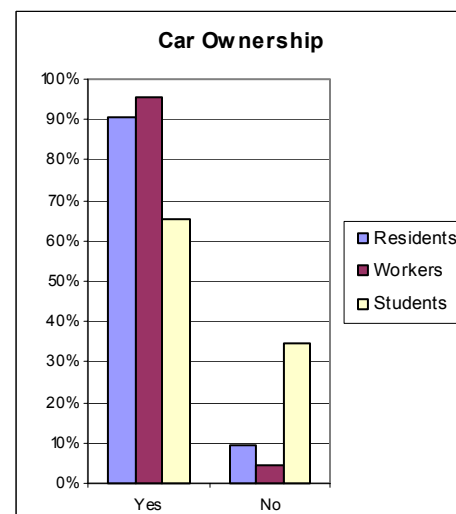
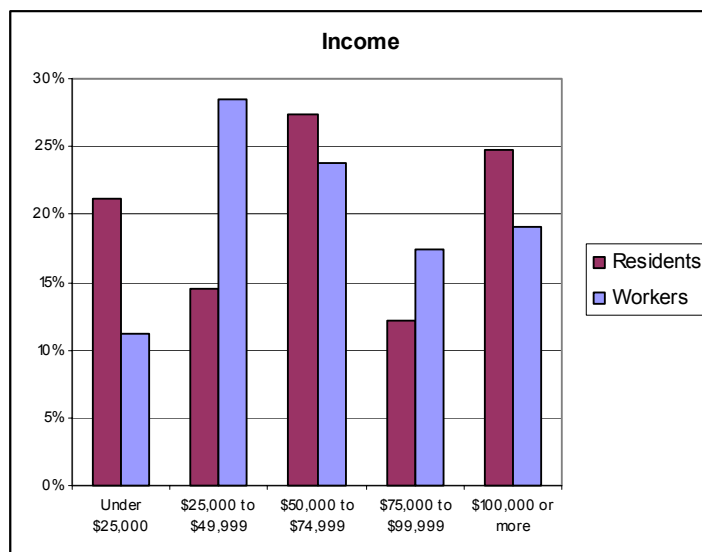


Car ownership is high among survey respondents—90 percent own cars, as opposed to less than 75 percent of all the households within the trade area.

About 20 percent of the residents that participated in the survey work either at home or less than one mile from home. These respondents are a particularly important customer group as they are close to the Hoosick Street corridor both during the day and on evenings and weekends.

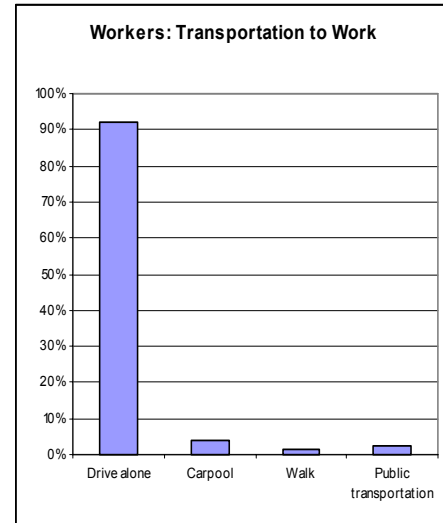
Employees

The preponderance of workers who participated in the survey are between the ages of 35 and 54 – the prime earning years. Employees in this age range tend to be more settled in their jobs than their younger counterparts. Workers' incomes run across the spectrum, but the majority of workers tend to



fall in the range of \$25,000 to \$75,000 a year, which indicates a solid working- to middle-class population.

Eighty percent of the workers surveyed were women. Although women are generally more likely than men to participate in surveys, in this instance the preponderance of women likely does reflect the overall employee population in the area since several of the major employers are health care organizations with a large nursing staff. **This suggests that businesses geared towards women may be profitable in the Hoosick Street corridor.**



Most employees have cars, suggesting that they have the ability to leave the area during the workday if they choose. Furthermore, the vast majority drive their own cars to work. Thus, **businesses such as restaurants and take-out establishments that would like to capture the lunchtime market must work to keep these employees from getting in their cars and driving elsewhere during their lunch breaks.**

Students

Twenty-seven percent of the students that participated in the survey are graduate students, roughly the same proportion as the actual student population at RPI, where 25 percent of the students on the Troy campus are graduate students.

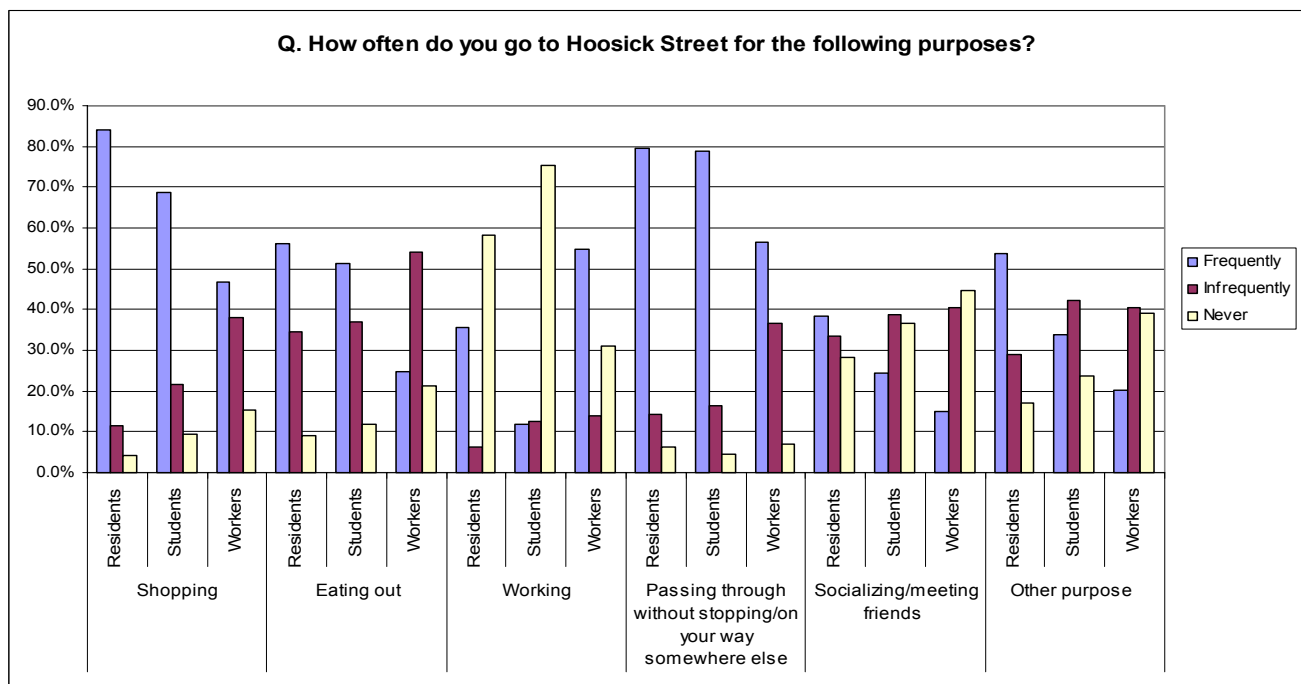
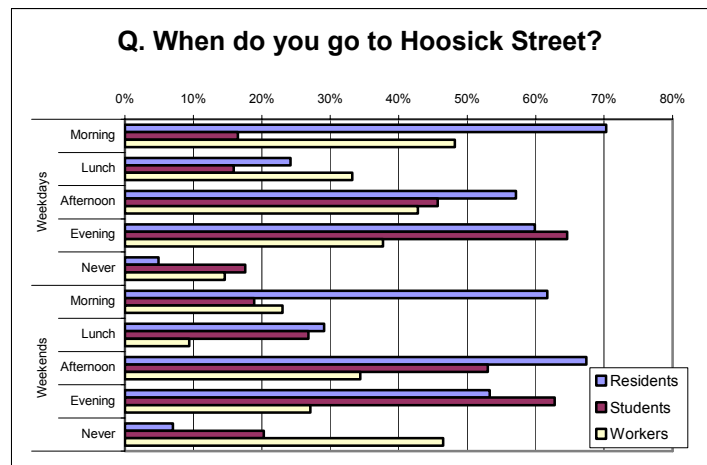
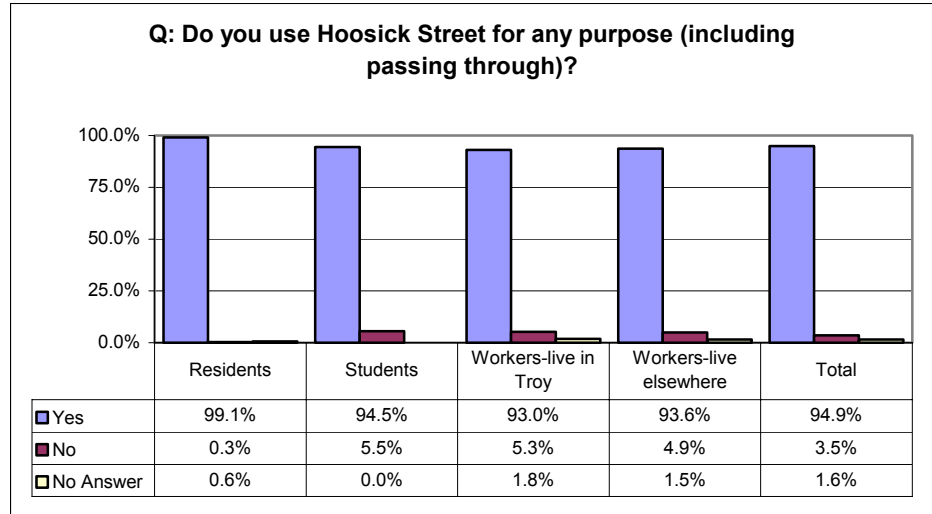
Of the students surveyed, 60 percent live off-campus, indicating a stronger demand for convenience items and fast food than would be expected in a college town with more on-campus students. This is further reinforced by the fact that far fewer students than any other population have cars and thus students are perhaps the most “captive” of the three customer groups—they are the most likely to seek out all of their retail and service needs in the immediate area. Thus, this is a market that the Hoosick Street merchants should target and recruitment efforts should consider.

Visitation and Visibility

Nearly all of the people surveyed do use Hoosick Street. Residents have the highest rate of usage—over 99 percent indicated that they use Hoosick Street for some reason, whereas between 5 and 6 percent of students and workers never visit Hoosick Street at all. Residents also visit Hoosick Street with greater frequency than the other two groups—half shop on Hoosick Street every day and nearly 60 percent pass through every day. Residents eat out on Hoosick Street fairly frequently as well, with over 55 percent indicating that they do so at least several times a month. While the other two groups are not as likely to take part in any of the activities asked about every day, shopping, passing through, and eating out were the most popular activities for these groups as well. The least frequently undertaken activity for all three groups is socializing, which is not surprising given the appearance of the corridor and the lack of gathering places.

While Hoosick Street has high visibility, it is not being used to the extent that it could be. For example, less than half of the workers surveyed shop frequently on Hoosick Street and only about half of any of the groups eat out regularly. *Given the high visibility of the street, these numbers could be much higher with a more attractive surrounding and business mix that better responds to the desires of the potential users.*

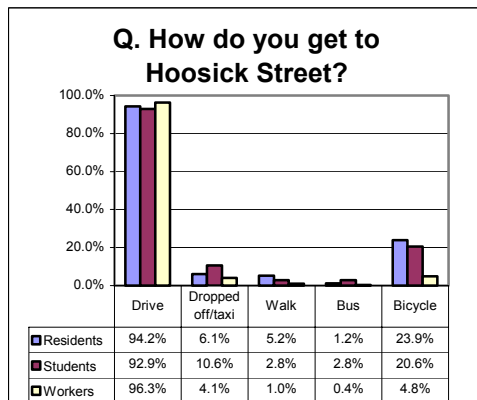
Use of Hoosick Street varies widely by user group. Workers are most likely to go to Hoosick Street weekday mornings and afternoons; students frequent Hoosick Street in the evenings; and residents use the street



throughout the day on weekdays and weekends. The net result is that **Hoosick Street businesses can take advantage of a robust customer base that populates the street morning through evening every day of the week.** This fact could play an important part in a retail recruitment campaign for the corridor.

Access

Pedestrian and bicycle access are important. Although the most popular mode of transportation to and from Hoosick Street is the automobile, a significant percentage of survey respondents indicated that they use other modes of transportation to get to Hoosick Street. For example, over 5 percent of

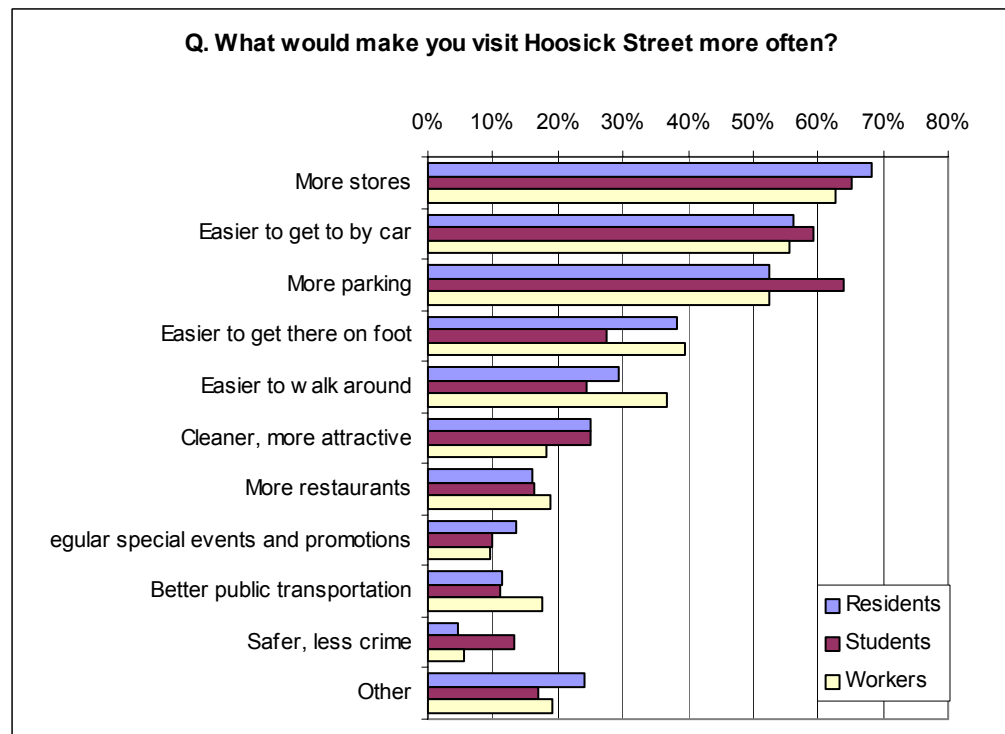


residents surveyed walk to the corridor. This, combined with the high proportion of households without cars, the relatively large senior population, and the student presence, indicates a need to focus on pedestrian, bicycle, and bus access to the corridor, as well as on amenities for non-drivers within the corridor.

Further evidence of the need for improved pedestrian accessibility can be found further down in the survey. When survey respondents were asked what would make

them visit Hoosick Street more often, nearly 40 percent of residents and workers selected better pedestrian access, and a significant proportion (just under 30 percent of residents and over 35 percent of workers) said that they would like to see Hoosick Street easier to walk around.

While parking appears to be somewhat of an issue, it was only the third-highest ranked quality for two of the three groups when asked what would make them visit more frequently. Parking is nearly always ranked highly as a problem in downtown areas, but other

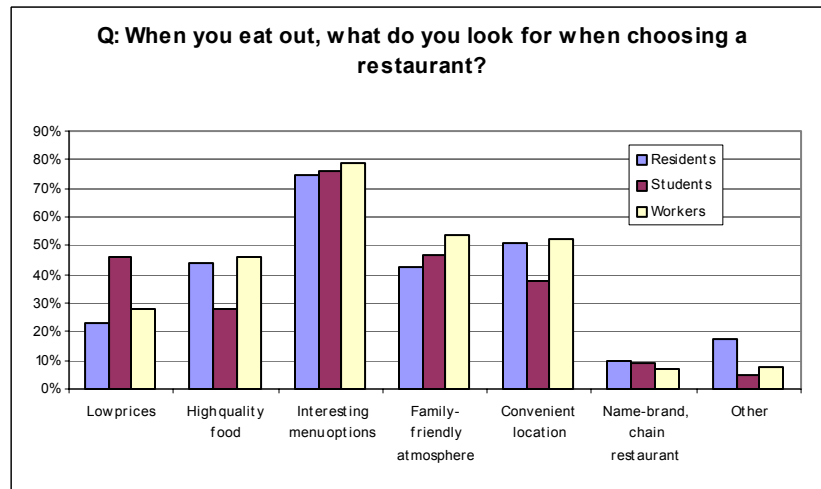


improvements which make the area more appealing often overcome complaints about parking since

people are willing to walk a little further from their cars to their destinations in a pleasant environment. Therefore, while parking is always an issue, it should not be emphasized to the detriment of other amenities.

Retail Demands

Of all the qualities listed, survey participants indicated that the thing most lacking—the thing that



would make them most likely to visit Hoosick Street more frequently—is **more stores**. For all three groups, “more stores” was *the* most popular response when asked what would make them visit Hoosick Street more often. Furthermore, less than 20 percent of any of the groups surveyed agreed that there are enough stores or restaurants on Hoosick Street today.

Interestingly, although “more restaurants” was not singled out as a quality that would encourage people to visit Hoosick Street more often, when asked what they would like to see added to the corridor, **the most popular response was restaurants**. Restaurants tend to do well when clustered, so consideration should be given to adding additional restaurants in developing the Hoosick Street corridor. When asked what they look for in a restaurant, about three-quarters of all survey participants responded “interesting menu options,” suggesting that a variety of restaurants could thrive in the district. About half the respondents overall said that they look for conveniently located restaurants, suggesting that Hoosick Street’s central location is a strong factor in favor of locating restaurants on the corridor. Other responses to the question asking what qualities people look for in restaurants can be used as a marketing tool to attract appropriate restaurants to the corridor. For example, students prefer low prices while workers and residents prefer high quality. **This suggests that a mix of restaurants could thrive on Hoosick Street, with some establishments geared towards the student population and the lower-income residential population focusing on price, while others might offer more expensive dining options for workers and residents with a focus on high quality.**

According to the survey, there is a strong desire for a grocery store and department stores, suggesting that **there is a need for additional stores that offer basic merchandise**. In addressing the demand for basic merchandise, the following should be kept in mind:

- The demand for quality and convenience in grocery shopping
- The demand for convenience in shopping for other everyday needs.

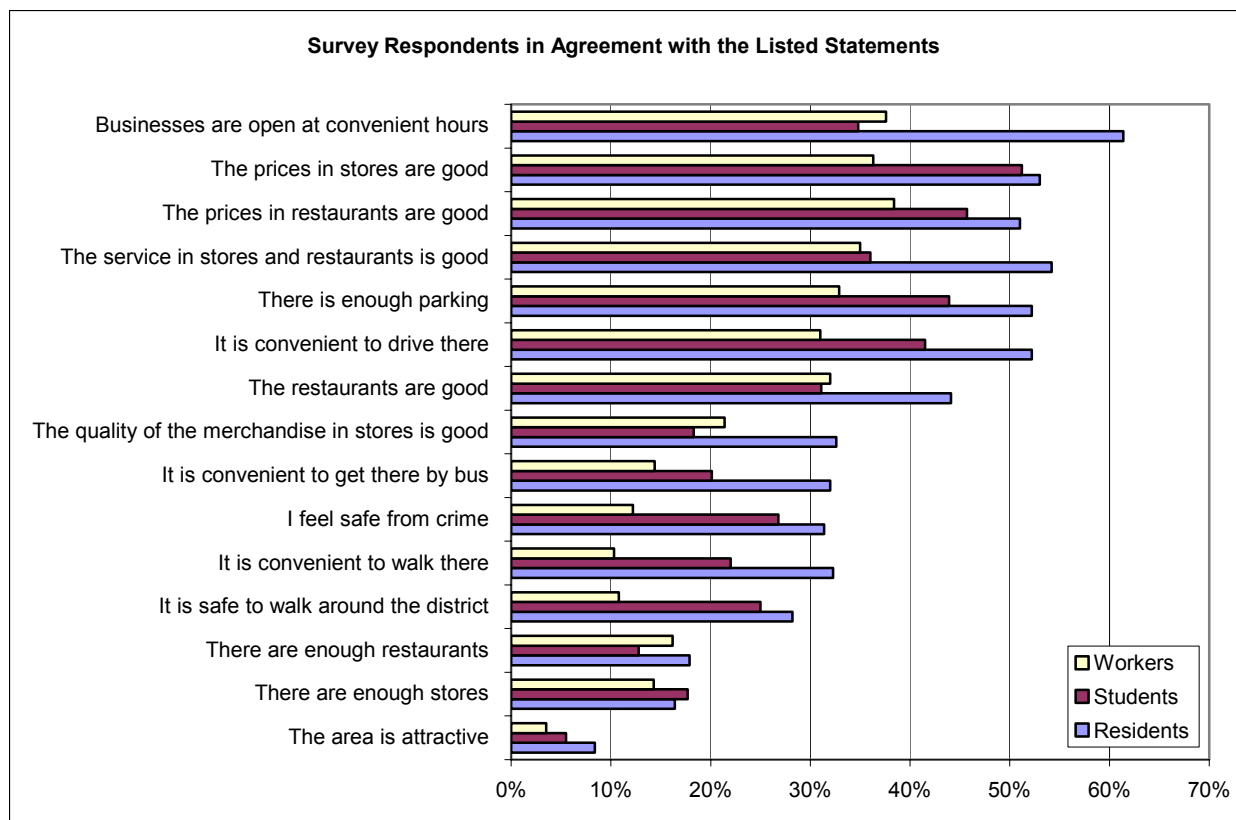
Survey results show that Hoosick Street is considered convenient, which, coupled with the fact that it is heavily traveled, positions the corridor well to address the need for convenient shopping opportunities for all customer groups.

The Troy Plaza may be able to attract another full-service grocery store to replace the Price Chopper, but other ways to meet the demand for food and other everyday shopping needs should also be considered,

Q. What do you look for when shopping for the following?

	Name brand	Quality	Price	Service in store	Convenience	Other
Groceries	6%	31%	36%	4%	21%	2%
Other everyday needs	5%	16%	39%	4%	34%	2%
Clothing	7%	47%	30%	4%	6%	6%
Furniture/appliances	7%	53%	27%	4%	3%	6%
Gifts	4%	46%	26%	4%	11%	10%

especially since the overall market vision calls for an alternative to the typical highway strip development pattern. Smaller specialty food stores such as a bagel store, bakery or health food store, along with stores offering other everyday items, such as a drug store, dollar store, and the like, could address the desire for convenience shopping as well or better than one or two large stores. **In fact, small, specialty food stores may be a better choice for Hoosick Street than a large grocery store**



as survey respondents indicated that they tend to look for convenience and quality in addition to price when shopping for groceries. The existing Midland Farms meets the demand for groceries at low prices, but smaller stores such as bakeries and delis can bring a larger selection of items needed most often closer to home, while at the same time offering better quality than one might find in a large supermarket.

Environment and Safety

Other than more businesses, **it is clear that there is a desire for physical improvements on the corridor.** The lowest rated quality across all the groups surveyed was appearance—less than 10 percent of any of the groups agreed with the statement that Hoosick Street is attractive. Physical improvements, ranging from attractive landscaping, to better maintenance of streets and sidewalks, to benches and other amenities have the potential to not only improve the appearance of the corridor, but also to address the personal safety concerns since a well-maintained, attractive environment feels safer than one that seems neglected. Furthermore, physical enhancements that calm traffic will make it safer for pedestrians to walk around the street and visit the services and businesses that are there now or that will locate there as the street is improved.

Housing

The possibility of housing on and around the Hoosick Street corridor is one that was contemplated by the design team, based on the premise that as the corridor improves and offers more appealing amenities; demand may increase for convenient, centrally-located residential development. Conversely, additional high-quality residential development within walking distance of the corridor has the potential to create a stronger, more loyal customer base and thus generate more market demand for commercial development.

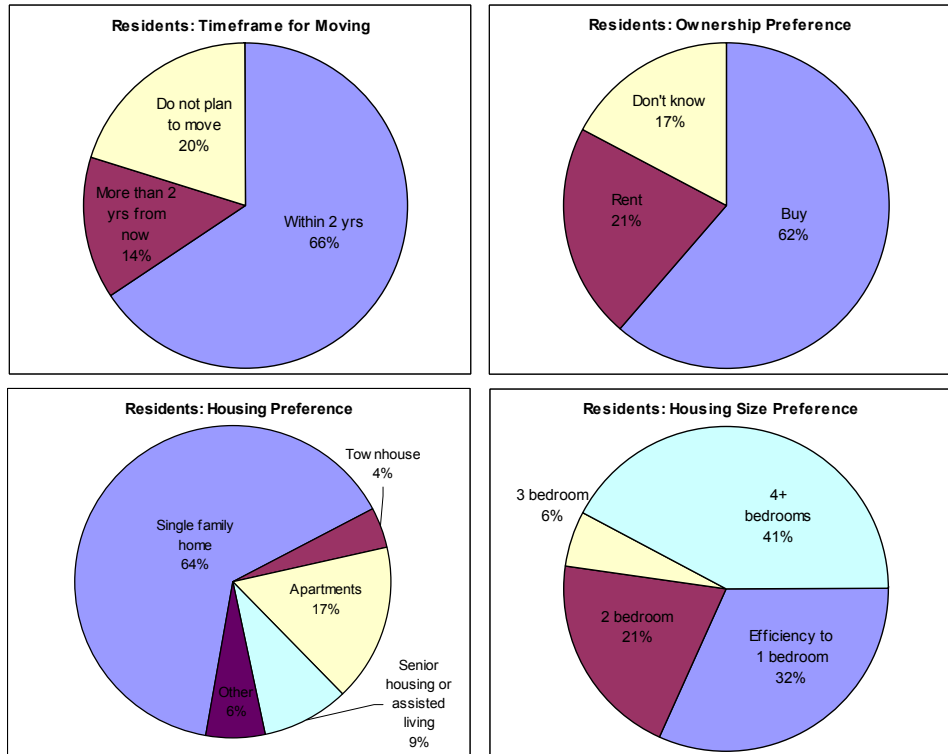
In order to determine whether there may be a demand for housing at this location, and if so, what type, the surveys included questions on this topic. The intent was to determine whether or not there is an interest in housing in the Hoosick Street corridor, and what size and style of housing would be most appropriate. The current housing market supply and demand in the region is beyond the scope of this study, but the proceeding analysis provides a general idea of the level of interest in various housing types by each market sector so that the physical plan for Hoosick Street and its surrounds as well as the relevant land use regulations can allow for these housing types. The market will determine when and if this housing is actually developed.

Residents

Housing demand

The residents surveyed are quite mobile; while three-quarters own their own homes, 65 percent plan on moving within two years and an additional 14 percent plan on moving sometime in the future. Only 20 percent indicated that they do not plan on moving in the foreseeable future. While this may be due, to some extent, to the large student population in the area, only 2.5 percent of the residential surveys returned were filled in by full-time students. A high mobility rate is not generally desirable

as it leads to a lack of a sense of community. Creating a more appealing and attractive environment that offers the amenities desired by the community may help to lower the rate of mobility, as residents will be more satisfied with their surroundings. The current level of dissatisfaction, both in the community and in the housing, is revealed in the responses to a query



about how the residents feel about their home in the Hoosick Street area. Thirty-three percent of residents indicated that they would like to move out of Troy, and an additional 9 percent would like to move to a different house within the City. In comparison, a 2002 survey of Capital District residents reported that only 10 percent of residents are dissatisfied with their community (Center For Social and Demographic Analysis, 11th Annual CSDA Capital District Survey-2002). In addition to improving the appearance and amenities in the area, however, providing housing that would entice residents to stay in the area would encourage them to put down roots and enhance the sense of community in the Hoosick Street area.

Housing preferences

Current residents are interested in a variety of housing types. Residents primarily desire single-family homes, but a good proportion indicated an interest in apartments and housing for seniors. As far as size goes, there is demand for housing of all sizes. The largest proportion of respondents (41 percent) wants four bedrooms or more, but significant numbers want other sizes as well: 21 percent would look for two bedrooms and 32 percent would like an efficiency or one bedroom unit. While the area around Hoosick Street cannot meet all of these needs, **the housing types that are appropriate for an urban setting, such as apartments and senior citizen housing, should be considered as the Hoosick Street district is developed. Furthermore, providing these types of housing sooner rather than later would be beneficial, since it could capture some of the people who plan to move in the near future.**

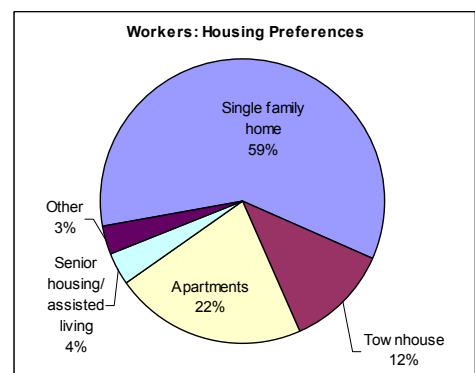
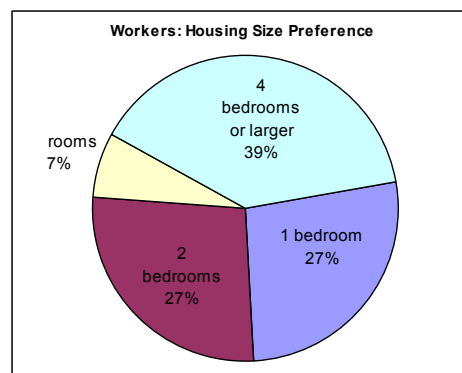
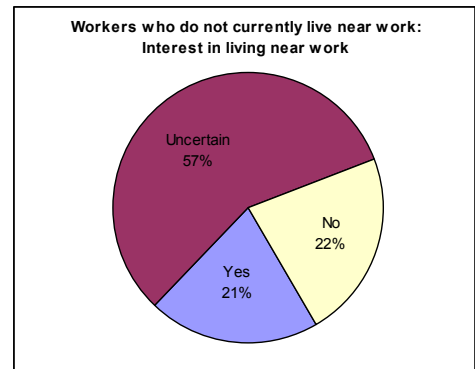
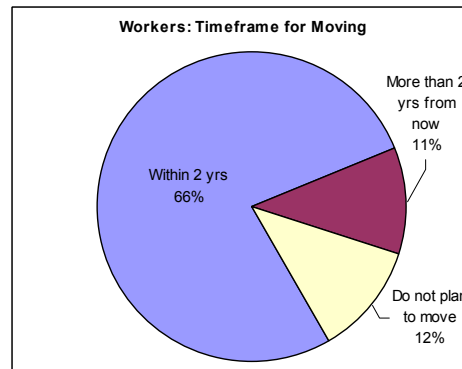
Workers

Housing demand

Only 21 percent of workers live in Troy, and of those, 40 percent would like to move out of the City. Clearly, there is work to be done in order to make Troy more appealing for local workers. As with residents, providing housing that meets the needs of workers would be beneficial since a large proportion of surveyed workers indicated that they plan on moving in the near future. In fact, two-thirds have plans to move within two years, and only 12 percent are not planning to move at all. Furthermore, there is a distinct possibility that a significant proportion of workers would consider housing near their offices if suitable housing were available. While only about one-fifth of the workers surveyed who do not live near their places of work said they definitely would be interested in living near work, only about one-fifth said they definitely would not be interested in living near work. The remainder are uncertain, and some of those could probably be attracted to live in the Hoosick Street area if they could find the right housing at the right price.

Housing preferences

Like the residents, workers prefer single-family homes, although a significant proportion indicated an interest in more urban-scale dwellings. Over 20 percent of this group expressed interest in apartments and another 10 percent indicated a preference for townhouses. Overall, this reinforces the above conclusion that **there is a market for housing of a style that could be incorporated into the urban fabric of the Hoosick Street district.**



In terms of housing size, the local employees surveyed were divided in the number of bedrooms they need, again reinforcing the conclusions drawn in the previous section that **there is a demand for various sized units in the area.**

Students

Housing Demand

Of the students surveyed, 56 percent said that they are planning to leave the Capital District after graduation. Of the remainder, about one-third definitely plans to stay in the area, and the other two-thirds are undecided. The relatively small number of students who plan to stay in the area suggests that there is no need to focus specifically on providing housing for recent graduates. However, the attitude of current students towards living in the City of Troy after graduation does reflect an overall negative perception of the residential possibilities within the City. Of the students who said that they either are planning on staying in the area after graduation or are uncertain about their plans, only 15 percent indicated that they would consider living in the City of Troy after graduation, 32 percent were uncertain, and the remaining 53 percent would not consider living in Troy. **Clearly, most of the students surveyed do not consider Troy a desirable place to live, thus emphasizing the need to address the overall image of the place.**

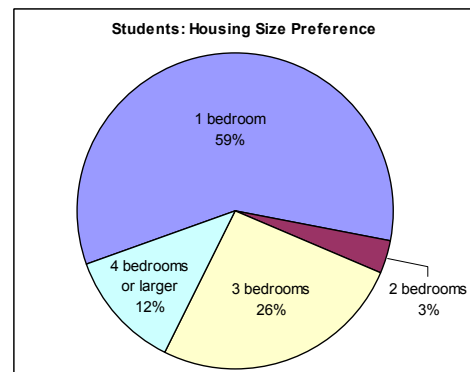
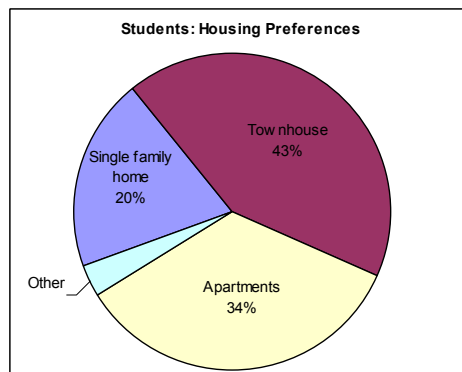
While it may not be a priority to provide housing for recent graduates in the area, there is a demand for student housing since many students live off-campus while they are in school. Of the students surveyed, only 40 percent currently live on-campus. The remaining 60 percent live off-campus, suggesting **a strong demand for local housing among students, and suggesting another potential market for apartments and other rental housing.**

Housing Preferences

The students surveyed who would at least consider staying in the Capital District after graduation prefer a markedly different housing mix than either residents or workers. The majority would like to live in a townhouse after graduation, and about one-third would choose an apartment.

Furthermore, only 7 percent definitely plan on purchasing a dwelling after graduation. While, as mentioned above, the

number of students who may stay in the area is not remarkably large, the preferences of this group do indicate additional demand for the type of housing that would be appropriate for infill development around the Hoosick Street area.



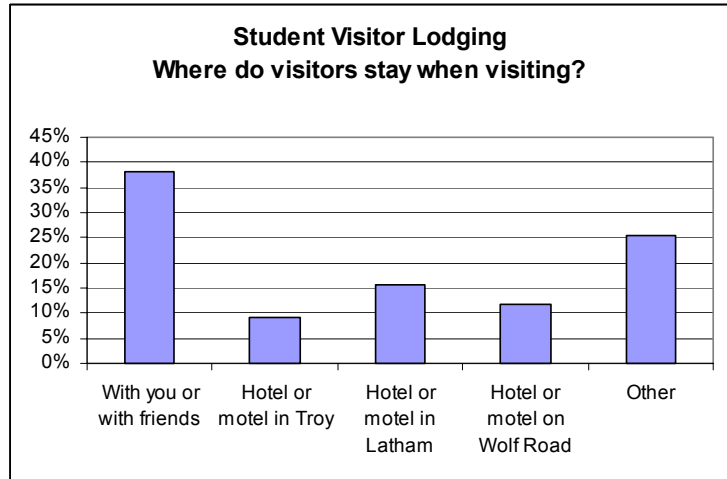
The students indicated a stronger demand for smaller units than did the other groups, evidently due to their stage of life—single with no children. Whereas the largest proportion of each of the other

groups would choose a housing unit with four or more bedrooms, students overwhelmingly prefer a one-bedroom unit.

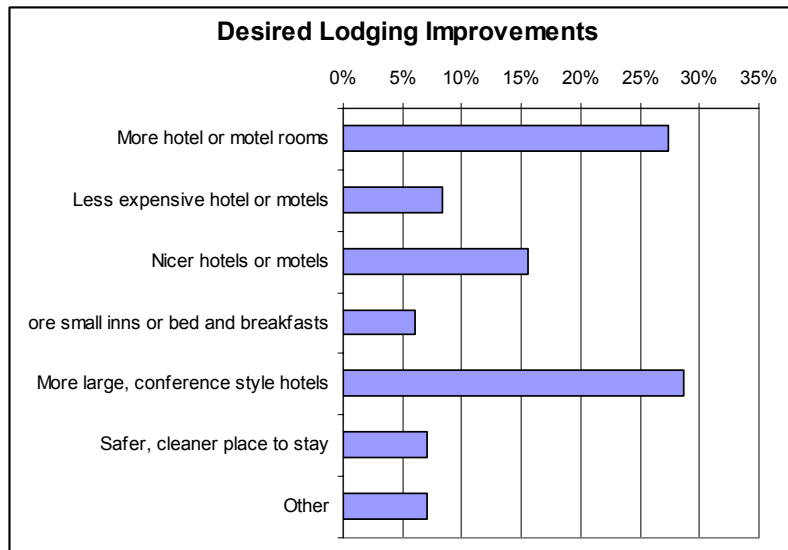
Hotel/Motel Demand

In order to gauge the demand for lodging in the Hoosick Street area, students were asked about their families and friends. Students surveyed reported that their friends and family visit an average of 2.7 times a year. If this bears out across the campus, RPI students' visitors could account for over 23,000 visits to the Troy area every year. This translates to significant demand for hotel and motel rooms, if the visitors stay in local

lodging. However, the survey results indicate that currently, less than 10 percent of students reported that their visitors stay in hotels or motels in Troy. While 38 percent indicated that their visitors stay with them, the remainder indicated that their friends and family stay in lodging outside of the City. **This suggests a potential market for more convenient lodging options, which could possibly be located in the Hoosick Street corridor.**



When asked what would make their friends and family more likely to stay in the City of Troy when visiting, the two most popular responses among students were “More large, conference style hotels” and “More hotel or motel rooms.” If space could be found for a nicer conference hotel, it could potentially serve students' visitors as well as long-distance travelers passing through on the way to and from Vermont and other vacation destinations. In addition, a conference hotel in the vicinity could be an asset to local businesses and the University as it would allow them to sponsor conferences in a convenient location.



IMPLEMENTING THE VISION

Economic Themes

The framework for success in the Hoosick Street corridor will be laid with the implementation of the physical plan as described in the Hoosick Street Corridor Concept Plan. This framework will allow the city to bring in the appropriate uses for the corridor as outlined in this market vision. Based on the market analysis herein, there are opportunities to expand and promote the following economic themes in the Hoosick Street Corridor:

1. Convenience shopping and services, offering merchandise in a range of price points to address the various needs of the multi-faceted customer groups as well as important services such as banks.
2. Convenient stores, restaurants and services geared towards the long-distance travelers passing through on the way to and from Vermont.
3. Restaurants, offering family dining and quick meals, both eat in and take out, to appeal to pass-by traffic and local workers (care should be taken not to compete with downtown Troy – that is, not to look for fine dining and entertainment to locate on Hoosick Street)
4. Medical offices and related services, catering to the senior population in the area and building on the presence of the major medical institutions.
5. Residential development, around and possibly even on Hoosick Street (above storefronts), which could provide convenient housing options for older residents as well as local employees.
6. Lodging, which, like housing, could be located around or on Hoosick Street, to encourage students' families and friends to stay close by, to offer overnight accommodations for long-distance travelers (such as people heading to Vermont), and to allow local businesses to hold conferences in the area.

In effect, the implementation of these various pieces will create a brand for Hoosick Street – a distinctive role and identity within the larger region that will attract people to the Corridor and create an excitement and energy to surround it.

Redevelopment Strategy

As new businesses are identified as desirable additions to the Hoosick Street corridor, locations for these businesses must be identified as well. Currently, the corridor is characterized by relatively small lots in disparate ownership, outside of the Troy Plaza. The Troy Plaza itself has significant vacant space, but it does not offer either the visual or the physical connection with the rest of the corridor that would create a strong, cohesive identity and synergy for the corridor. As the redevelopment of the corridor moves forward, the following guidelines will help to create the commercial space with the characteristics needed to attract desirable retail tenants to the:

1. **The redevelopment of the Troy Plaza should be a priority.** The Troy Plaza was an important retail destination before it lost its two major tenants – Price Chopper and Ames – and it could be a destination again. Reintroducing strong retail tenants into the Troy Plaza is of utmost importance since the Plaza offers the only real opportunity to bring large-scale retail capable of drawing people to the corridor. However, the current design of the Plaza cuts it off from the rest of the street. Therefore, redeveloping the Troy Plaza to create a stronger physical and visual link to the rest of the corridor is vital if it is to have a positive impact on commercial development elsewhere on the corridor.
2. **Encourage the creation of larger properties than currently exist along the corridor** in order to provide opportunities for larger stores and restaurants to locate on Hoosick Street. This can be accomplished using the following techniques:
 - a. As buildings and lots become available along Hoosick Street, encourage consolidation of properties to create larger lots for redevelopment.
 - b. Where possible, combine parcels facing Hoosick Street with the parcels immediately behind to create lots with more depth and thus more ability to provide off-street parking and larger retail footprints.
3. **Protect adjoining residential neighborhoods from the impact of the increase in commercial development** that should be anticipated on Hoosick Street as a result of the redevelopment and improvement of the corridor by encouraging or requiring wide planted buffers between the commercial ground-floor uses facing Hoosick Street and the adjoining residential neighborhoods.
4. **Consider zoning changes to limit ground floor uses to non-residential uses** in order to maximize the commercial space available and to move towards an unfragmented commercial street. Studies have shown that 30 feet or more of vacant storefronts or other non-retail uses tend to make the pedestrian turn back.
5. **Consider providing technical or financial assistance to property owners and developers to assist in the renovation of existing buildings or development of new buildings** that will best meet the needs of potential commercial tenants as well as enhance the appearance and function of the corridor.

Business Recruitment

Bringing the retail vision to fruition requires a well-conceived and implemented business recruitment strategy to re-tenant vacancies and bring in new businesses for infill locations. Such a strategy is vital to ensure that the desired retail mix is attained.

An effective recruitment strategy includes the following elements:

1. **Develop a location strategy.** Obviously, businesses need to locate in a structure that will enable the business owner to realize success. Square footage, access from the street, utilities, rent, and window displays all contribute to success factors. The location decision also, where possible, relates to the cluster retail strategy established for the district. The goal is to locate

businesses with similar customers near each other. This strategy, known as clustering, can dramatically increase sales.

2. **Develop a prospect list of potential businesses.** This list should include both independent businesses and national chains. Independent businesses located in nearby areas are ideal candidates for expansion. They are currently in business, know their clientele and customer base, and are succeeding.
3. **Assemble a recruitment package.** Information about the Hoosick Street Corridor, including the market data contained herein, a list of vacancies, and other relevant information should be assembled into a cohesive, attractive marketing package, which should be kept up to date and should be able to be customized to the needs of the target business.
4. **Assemble a business recruitment team.** Team members should include people whom business owners will perceive as peers, such as current business owners; people who can provide expert information, like Chamber of Commerce representatives, city planners, bankers and real estate representatives; and other stakeholders, such as representatives from RPI, Seton Health, local neighborhood groups, and the like.
5. **Create and maintain a tracking system of business prospects.** The needs of a business prospect, either independent or national, that does not express immediate interest in locating on Hoosick Street could change at any time. Therefore, keeping track of businesses that would be desirable additions to the Hoosick Street corridor and contacting them periodically to see if their needs have changed can be a productive endeavor.

When developing a detailed business recruitment strategy, keep in mind that successful commercial districts are not exclusively retail. In fact, commercial districts often thrive when populated with a diversity of functions—professional offices, banks, services, entertainment, other commercial uses, civic destinations, etc. A business recruitment strategy for the Hoosick Street Corridor should include a variety of non-retail businesses, especially lodging and medical offices, which will add to the diverse appeal of the district and to its ability to serve a multitude of purposes.

Business Assistance

Recruiting new businesses to the Hoosick Street corridor is only half the battle. Once businesses are located in the corridor, providing these businesses with the support that they need to become and remain successful will help these businesses thrive in the long-term. An ongoing business retention and assistant program should be designed to help merchants and service providers on Hoosick Street better understand and meet the demands of the customers in the trade area and support and provide technical assistance to businesses that want to improve or expand within the corridor. A successful business assistance program will serve the dual purpose of creating and maintain a stable and successful retail and service community, and also providing developers, investors and merchants

considering developing or locating on Hoosick Street the confidence to move forward with their plans on the corridor. Such a program can be administered through the Chamber of Commerce, the City of Troy, or some other office created specifically for this purpose. It would make sense to administer both the business assistance and business recruitment programs out of the same office.

The key elements of a successful **business retention and expansion program** include the following services:

1. **Provide current market information**, including local, regional and national trends, customer profiles, and trade area definitions.
2. **Offer loans or grants for business improvement purposes**, including inventory diversification and expansion, marketing, building and façade improvements, etc.
3. **Maintain a current list of available property for rent or sale** and help business owners locate new property within the corridor when they are ready to expand.
4. **Assist new and expanding business owners in preparing business plans and financial feasibility plans.**
5. **Create a clearinghouse to provide information on the various state, federal and private business-assistance** programs that may be of interest to businesses in the corridor.

CONCLUSION

The Hoosick Street corridor has much potential – from its high visibility to its proximity to a diverse customer base. However, it has yet to live up to its potential. A successful market vision will create a distinctive brand for the district – making it a place that potential customers and visitors as well as local residents, workers and others, can easily identify and will think to travel to for shopping and other needs.

Implementing this vision will require the coordinated efforts of the City, the local business and institutional interests, the real estate development community, and the surrounding residential neighborhoods. The efforts, which should include business recruitment, the redevelopment of the Troy Plaza, and the continuous upgrading of the physical place, will result in a successful business district and gateway to the City of Troy that will bring pride of place as well as economic benefit to the Hoosick Street corridor, the surrounding communities, and even to the entire city.